

July 2015

Chase County

Estimated Economic Impact of Agriculture, Food, and Food Processing Sectors

A total of 11 agriculture, food, and food processing sectors were analyzed to determine their overall contribution to the Chase County economy.¹ These 11 sectors have a total direct output of approximately \$95 million and support 359.9 jobs in Chase County. Running the model for all 11 sectors simultaneously produces the following results:

Agriculture Contribution in Chase County

Impact Type ²	Employment	% of Total Employment	Total Value Added ³	% of Gross Regional Product ⁴	Output ⁵	% of Gross Regional Product
Direct Effect	359.9	13%	\$41,141,265	23%	\$94,858,139	52%
Indirect Effect	90.5	3%	\$5,948,280	3%	\$11,854,599	6%
Induced Effect	33.6	1%	\$2,597,094	1%	\$4,469,062	2%
Total Effect	484.0	17%	\$49,686,639	27%	\$111,181,800	61%

As shown in the above table, agriculture, food, and food processing supports 484.0 jobs, or 17% of the entire workforce in the county. These industries provide a total economic contribution of approximately \$111 million, roughly 61% of Gross Region Product (GRP). As noted below in the calculation of Gross Regional Product, imports and institutional sales are subtracted. Therefore, counties that import a relatively large amount of goods and services will have a reduced GRP which may lead to agricultural output being greater than GRP.

Another metric used to calculate the importance of sectors in an economy is their value added as a percentage of GRP. Total value added by the 11 agriculture, food, and food processing sectors is approximately \$50 million, or 27% of the GRP. This indicates that personal income, business income, and taxes generated by these sectors account for 27% of the total economy.

The following tables document the overall summary numbers of the model, top industries affected by employment and output, and a listing of all industries that were analyzed.

¹ Article on building a contribution analysis in IMPLAN that avoids double counting:
https://implan.com/index.php?option=com_content&view=category&id=19

² Direct, indirect, and induced effects sum together to estimate the total economic contribution in the state. **Direct effects** capture the contribution from agricultural and food products. **Indirect effects** capture the economic benefit from farms and agricultural businesses purchasing inputs from supporting industries within the state. **Induced effects** capture the benefits created when employees of farms, agricultural businesses, and the supporting industries spend their wages on goods and services within the state.

³ Value Added = Labor Income + Indirect Business Taxes + Other Property Type Income

⁴ GRP = Final Demand of Households + Governments Expenditures + Capital + Exports - Imports - Institutional Sales

⁵ Output = Intermediate Inputs + Value Added

In the top ten by employment, Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming is the top employer in the agriculture industry with 163.8 employees. This table also shows the amount of jobs that are created by the agriculture industry in Chase County.

Top 10 Industries Affected by Employment

Sector Description:	Total Employment	Total Output
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	163.8	\$60,387,061
Veterinary services	103.6	\$4,354,442
All other crop farming.....	37.8	\$6,821,032
Wholesale trade.....	28.0	\$5,118,447
Animal production, except cattle and poultry and eggs.....	24.9	\$3,584,746
Truck transportation.....	15.8	\$2,022,468
Support activities for agriculture and forestry	15.6	\$872,416
Grain farming	10.5	\$5,238,562
Farm machinery and equipment manufacturing	8.9	\$5,461,236
Full-service restaurants.....	6.1	\$263,867

The Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming industry directly contributes approximately \$60 million to Chase County's economy. This table also shows how much revenue is generated in other industries by having a strong agriculture industry.

Top 10 Industries Affected by Output

Sector Description:	Total Employment	Total Output
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	163.8	\$60,387,061
All other crop farming.....	37.8	\$6,821,032
Farm machinery and equipment manufacturing	8.9	\$5,461,236
Grain farming	10.5	\$5,238,562
Wholesale trade.....	28.0	\$5,118,447
Oilseed farming.....	1.5	\$4,634,438
Veterinary services	103.6	\$4,354,442
Animal production, except cattle and poultry and eggs.....	24.9	\$3,584,746
Bread and bakery product, except frozen, manufacturing	4.1	\$2,914,385
Truck transportation.....	15.8	\$2,022,468

Below is a summary of all agriculture data with employment levels and output level. These values can tell how many jobs are represented by each agriculture sector and the output they contributed to Chase County's economy.

[illegible]

All 105 counties in Kansas have IMPLAN models with an agriculture contribution summary. These values do not factor in the retail environment of food sales. Food retail is important, but in order to provide the most accurate picture of what production agricultural and processing contributes to Kansas, the retail sector was omitted.